AMENDMENTS TO THE CLAIMS

The listing of claims replaces and supersedes all prior versions and listings of claims in the application:

Listing of Claims:

1.   (Currently Amended) A method for creating a database, said method comprising:

collecting security transaction data for a preselected period of time, for a plurality of institutional investors, said transaction data including identity of securities being traded, transaction order sizes, execution prices and execution times;

grouping said transaction data into ~~a plurality~~ groups of orders, wherein each group of orders consists of a plurality of orders each associated with a common category from a plurality of common categories;

calculating a plurality of cost benchmarks for each group ~~of said plurality~~ of orders;

estimating transaction costs for each institutional investor from said transaction data relative to each of said calculated cost benchmarks for each category of said plurality of common categories; and

storing said data for said calculated benchmarks and said estimated transaction costs.

2.   (Original) The method as recited in claim 1, wherein said estimating step includes a step of regressing said transaction costs onto a plurality of percentiles.

3.   (Previously Presented) The method as recited in claim 2, wherein said regressing step utilizes a formula:

$$X_i = \alpha_i + \beta_i f(S) + \gamma_i g(M) + \varepsilon_i,$$

for percentiles $i = 25, 40, 50, 60$ or 75, and each percentile i is assumed to depend linearly

on functions f and g of size (S) and momentum (M) respectively, and $(\alpha_i, \beta_i, \gamma_i)$ are regression

parameters.

4.   (Previously Presented) The method as recited in claim 3, wherein the regression

parameters $(\alpha_i, \beta_i, \gamma_i)$ are estimated using (a) ordinary least squares (OLS), (b) weighted least

squares (WLS) with respect to OLS residuals (WLS1), and (c) WLS with respect to observations

in each subdivision (WLS2).

5.   (Original) The method as recited in claim 3, wherein functions f and g are set to be linear

functions.

6.   (Original) The method as recited in claim 1, wherein said plurality of cost benchmarks

include:

a closing price C_{T-1} of the security on a day prior to the day of the execution of the

corresponding order;

a volume-weighted average price VWAP across all trades for the security during the day

of execution of the corresponding order;

a closing price C_{T+1} of the security on the first day after the day of execution of the

corresponding order;

a closing price C_{T+20} of the security on the 20th day after the day of execution of the

corresponding order;

an open price O_T of the security on the day of execution of the corresponding order; and

a prevailing midquote M_T of the security prior to the execution time of the corresponding order; and

wherein each of said plurality of benchmarks are calculated for each security for each order.

7.　(Original) The method recited in claim 1, wherein said estimating step takes into consideration a number of cost factors per order.

8.　(Original) The method recited in claim 6, wherein said estimating step takes into consideration a number of cost factors per order.

9.　(Previously Presented) The method as recited in claim 2, wherein said regressing step utilizes a formula:

$$X_i = \alpha_i + \beta_i f(S) + \gamma_i g(M) + \varepsilon_i,$$

for percentiles $i = 25, 40, 50, 60$ or 75, and each percentile i is assumed to depend linearly on functions f and g of size (S) and momentum (M) respectively, and $(\alpha_i, \beta_i, \gamma_i)$ are regression parameters; and

wherein transaction costs are regressed for each cost factors.

10.　(Previously Presented) The method as recited in claim 9, wherein the regression parameters $(\alpha_i, \beta_i, \gamma_i)$ are estimated using (a) ordinary least squares (OLS), (b) weighted least

squares (WLS) with respect to OLS residuals (WLS1), and (c) WLS with respect to observations in each subdivision (WLS2).

11.   (Original) The method as recited in claim 9, wherein functions f and g are set to be linear functions.

12.   (Original) The method as recited in claim 1, wherein said cost benchmarks are calculated in real-time as transactions are executed, and are stored in a database.

13.   (Original) The method as recited in claim 1, wherein said estimating step is performed periodically for all transactions that occurred during a predetermined time frame.

14.   (Currently Amended) A method for ranking security transaction cost performance relative to transaction costs for institutional investors, said method comprising steps of:

collecting security transaction data for a preselected period of time, for a plurality of investment institutions, said transaction data including identity of securities being traded, transaction order sizes, execution prices, momentum and execution times;

grouping said transaction data into a plurality groups of orders, wherein each group of orders consists of a plurality of orders associated with a common category from a plurality of common categories;

calculating a plurality of cost benchmarks for each group of said plurality of orders;

estimating transaction costs for each investment institution relative to each of said calculated cost benchmarks for each category of said plurality of common categories; and

ranking a first investment institution of said plurality of institutional investors against

said plurality of investment institutions based on said estimated transaction costs for said

plurality of institutions for at least one of ~~a number of factors~~ said common categories.

15.   (Original) The method as recited in claim 14, wherein said estimating step includes a step

of regressing said transaction costs onto a plurality of percentiles.

16.   (Previously Presented) The method as recited in claim 15, wherein said regressing step

utilizes a formula:

$$X_i = \alpha_i + \beta_i f(S) + \gamma_i g(M) + \varepsilon_i,$$

for percentiles $i = 25, 40, 50, 60$ or 75, and each percentile i is assumed to depend linearly

on functions f and g of size (S) and momentum (M) respectively, and $(\alpha_i, \beta_i, \gamma_i)$ are regression

parameters.

17.   (Previously Presented) The method as recited in claim 16, wherein the regression

parameters $(\alpha_i, \beta_i, \gamma_i)$ are estimated using (a) ordinary least squares (OLS), (b) weighted least

squares (WLS) with respect to OLS residuals (WLS1), and (c) WLS with respect to observations

in each subdivision (WLS2).

18.   (Original) The method as recited in claim 16, wherein functions f and g are set to be

linear functions.

19.   (Original) The method as recited in claim 14, wherein said plurality of cost benchmarks include:

a closing price C_{T-1} of the security on a day prior to the day of the execution of the corresponding order;

a volume-weighted average price VWAP across all trades for the security during the day of execution of the corresponding order;

a closing price C_{T+1} of the security on the first day after the day of execution of the corresponding order;

a closing price C_{T+20} of the security on the 20th day after the day of execution of the corresponding order;

an open price O_T of the security on the day of execution of the corresponding order; and

a prevailing midquote M_T of the security prior to the execution time of the corresponding order; and

wherein each of said plurality of benchmarks are calculated for each security for each order.

20.   (Original) The method recited in claim 14, wherein said factors include size and momentum.

21.   (Original) The method recited in claim 19, wherein said factors include size and momentum.

22.   (Previously Presented) The method as recited in claim 15, wherein said regressing step utilizes a formula:

$$X_i = \alpha_i + \beta_i f(S) + \gamma_i g(M) + \varepsilon_i,$$

for percentiles $i = 25, 40, 50, 60$ or 75, and each percentile i is assumed to depend linearly on functions f and g of size (S) and momentum (M) respectively, and $(\alpha_i, \beta_i, \gamma_i)$ are regression parameters; and

wherein transaction costs are regressed for each cost factors.

23.   (Previously Presented) The method as recited in claim 22, wherein the regression parameters $(\alpha_i, \beta_i, \gamma_i)$ are estimated using (a) ordinary least squares (OLS), (b) weighted least squares (WLS) with respect to OLS residuals (WLS1), and (c) WLS with respect to observations in each subdivision (WLS2).

24.   (Previously Presented) The method as recited in claim 22, wherein functions f and g are set to be linear functions.

25.   (Original) The method as recited in claim 14, wherein said cost benchmarks are calculated in real-time as transactions are executed, and are stored in a database.

26.   (Original) The method as recited in claim 14, wherein said estimating step is performed periodically for all transactions that occurred during a predetermined time frame.

27.   (Currently Amended) A system for ranking security transaction cost performance relative

to transaction costs for a plurality of institutional investors, said system comprising:

processing means for collecting security transaction data for a preselected period of time,

for a plurality of institutional investors, said transaction data including identity of securities

being traded, transaction order sizes, execution prices, momentum and execution times, grouping

said transaction data into a plurality groups of orders, wherein each group of orders consists of a

plurality of orders associated with a common category from a plurality of common categories;

calculating a plurality of cost benchmarks for each of said plurality group of orders; estimating

transaction costs for each institutional investor from said transaction data relative to each of said

calculated cost benchmarks for each category of said plurality of common categories; and

ranking a first investment institution of said plurality of investment institutions based on said

estimated transaction costs against said plurality of investment institutions for at least one of said

common categories a number of factors; and

storing means for receiving data from said processing means, storing said data, and

making data available to said processing means.

28.   (Original) The system according to claim 27, wherein said processing means estimates

the transaction costs by regressing said transaction costs onto a plurality of percentiles.

29.   (Previously Presented) The system according to claim 28, wherein said processing means

performs the regression by a formula:

$$X_i = \alpha_i + \beta_i f(S) + \gamma_i g(M) + \varepsilon_i,$$

for percentiles $i = 25, 40, 50, 60$ or 75, and each percentile i is assumed to depend linearly on functions f and g of size (S) and momentum (M) respectively, and $(\alpha_i, \beta_i, \gamma_i)$ are regression parameters.

30. (Previously Presented) The system according to claim 29, wherein the regression parameters $(\alpha_i, \beta_i, \gamma_i)$ are estimated using (a) ordinary least squares (OLS), (b) weighted least squares (WLS) with respect to OLS residuals (WLS1), and (c) WLS with respect to observations in each subdivision (WLS2).

31. (Original) The system according to claim 29, wherein functions f and g are set to be linear functions.

32. (Original) The system according to claim 27, wherein said plurality of cost benchmarks include:

a closing price C_{T-1} of the security on a day prior to the day of the execution of the corresponding order;

a volume-weighted average price VWAP across all trades for the security during the day of execution of the corresponding order;

a closing price C_{T+1} of the security on the first day after the day of execution of the corresponding order;

a closing price C_{T+20} of the security on the 20th day after the day of execution of the corresponding order;

an open price O_T of the security on the day of execution of the corresponding order; and

a prevailing midquote M_T of the security prior to the execution time of the corresponding order; and

wherein each of said plurality of benchmarks are calculated for each security for each order.

33.   (Original) The system according to claim 27, wherein said factors include size and momentum.

34.   (Original) The system according to claim 32, wherein said factors include size and momentum.

35.   (Currently Amended) The system according to claim [[34]] 28, wherein said processing means performs the regression by a formula:

$$X_i = \alpha_i + \beta_i f(S) + \gamma_i g(M) + \varepsilon_i,$$

for percentiles $i = 25, 40, 50, 60$ or 75, and each percentile i is assumed to depend linearly on functions f and g of size (S) and momentum (M) respectively, and $(\alpha_i, \beta_i, \gamma_i)$ are regression parameters; and

wherein transaction costs are regressed for each cost factors.

36.   (Currently Amended) The system according to claim [[34]] 35, wherein the regression parameters $(\alpha_i, \beta_i, \gamma_i)$ are estimated using (a) ordinary least squares (OLS), (b) weighted least squares (WLS) with respect to OLS residuals (WLS1), and (c) WLS with respect to observations in each subdivision (WLS2).

37.   (Currently Amended) The system according to claim [[36]] 35, wherein functions *f* and *g*

are set to be linear functions.

38.   (Original) The system according to claim 27, wherein said cost benchmarks are

calculated in real-time as transactions are executed, and are stored in a database.

39.   (Original) The system according to claim 27, wherein said processing means performs

periodically for all transactions that occurred during a predetermined time frame.

40.   (Currently Amended) A system for ranking security transaction cost performance relative

to transaction costs for a plurality of institutional investors, said system comprising:

        a processing unit coupled with a network and configured to collect security transaction

data for a pre-selected period of time, for a plurality of institutional investors, said transaction

data including identity of securities being traded, transaction order sizes, execution prices,

momentum and execution times, to group said transaction data into a plurality groups of orders,

wherein each group of orders consists of a plurality of orders associated with a common category

from a plurality of common categories, to calculate a plurality of cost benchmarks for each group

of said plurality of orders, to estimate transaction costs for each order from said transaction data

relative to each of said calculated cost benchmarks for each category of said plurality of common

categories, and to store said data for said calculated benchmarks and said estimated transaction

costs in a database; and

a database unit coupled with said processing unit and configured to communicate with

said processing unit, store data, and make ~~making~~ data available to said processing unit.

41.   (Original) The system according to claim 40, wherein said processing unit is further

configured to estimate the transaction costs by regressing said transaction costs onto a plurality

of percentiles.

42.   (Previously Presented) The system according to claim 41, wherein said processing unit is

further configured to perform the regression by a formula:

$$X_i = \alpha_i + \beta_i f(S) + \gamma_i g(M) + \varepsilon_i,$$

for percentiles $i = 25, 40, 50, 60$ or 75, and each percentile i is assumed to depend linearly

on functions f and g of size (S) and momentum (M) respectively, and $(\alpha_i, \beta_i, \gamma_i)$ are regression

parameters.

43.   (Previously Presented) The system according to claim 42, wherein the regression

parameters $(\alpha_i, \beta_i, \gamma_i)$ are estimated using (a) ordinary least squares (OLS), (b) weighted least

squares (WLS) with respect to OLS residuals (WLS1), and (c) WLS with respect to observations

in each subdivision (WLS2).

44.   (Original) The system according to claim 43, wherein functions f and g are set to be

linear functions.

45.   (Original) The system according to claim 44, wherein said plurality of cost benchmarks include:

a closing price C_{T-1} of the security on a day prior to the day of the execution of the corresponding order;

a volume-weighted average price VWAP across all trades for the security during the day of execution of the corresponding order;

a closing price C_{T+1} of the security on the first day after the day of execution of the corresponding order;

a closing price C_{T+20} of the security on the 20th day after the day of execution of the corresponding order;

an open price O_T of the security on the day of execution of the corresponding order; and

a prevailing midquote M_T of the security prior to the execution time of the corresponding order; and

wherein each of said plurality of benchmarks are calculated for each security for each order.

46.   (Original) The system according to claim 45, wherein said factors include size and momentum.

47.   (Original) The system according to claim 45, wherein said cost benchmarks are calculated in real-time as transactions are executed, and are stored in a database.

48.   (Original) The system according to claim 45, wherein said processing unit performs estimates periodically for all transactions that occurred during a predetermined time frame.

49.   (Previously Presented) The system according to claim 40, further comprising at least one

client interface coupled with said database unit, said client interface configured to display a

ranking for a selected institutional investor based on said data stored in said database unit.

50.   (Original) The system according to claim 49, wherein said client interface is configured

to graphically display said ranking as bar graphs, said ranking shown as a percentage of a total

range for a plurality of factors.

51.   (Original) The system according to claim 49, wherein said client interface is configured

to graphically display said ranking as bar graphs, said ranking shown as a percentage of a total

range for each said cost benchmark.

52.   (New) The method of claim 1 further comprising a step of graphically displaying said

estimated transaction costs for a selected benchmark for a selected institutional investor for one

or more selected common categories relative to one or more measures of central tendency or

extrema of the estimated transaction costs of the plurality of institutional investors for said

selected bench mark for said selected one or more common categories.

53.   (New) The method of claim 27 wherein the processing means further comprises

processing means for graphically displaying said estimated transaction costs for a selected

benchmark for a selected institutional investor for one or more selected common categories

relative to one or more measures of central tendency or extrema of the estimated transaction

costs of the plurality of institutional investors for said selected bench mark for said selected one or more common categories.

54.   (New) The method of claim 40 wherein the processing means are further configured to graphically display said estimated transaction costs for a selected benchmark for a selected institutional investor for one or more selected common categories relative to one or more measures of central tendency or extrema of the estimated transaction costs of the plurality of institutional investors for said selected bench mark for said selected one or more common categories.